



8011-01P

SECURITIES AND EXCHANGE COMMISSION
[SEC File No. 270-442, OMB Control No. 3235-0498]
Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From:
Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE
Washington, DC 20549-2736

Extension: Rule 17a-12/ Form X-17A-5 Part IIB

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget (“OMB”) a request for approval of extension of the previously approved collection of information provided for in Rule 17a-12 (17 CFR 240.17a-12) and Part IIB of Form X-17A-5 (17 CFR 249.617) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

Rule 17a-12 is the reporting rule tailored specifically for over-the-counter (“OTC”) derivatives dealers registered with the Commission, and Part IIB of Form X-17A-5, the Financial and Operational Combined Uniform Single (“FOCUS”) Report, is the basic document for reporting the financial and operational condition of OTC derivatives dealers. Rule 17a-12 requires registered OTC derivatives dealers to file Part IIB of the FOCUS Report quarterly. Rule 17a-12 also requires that OTC derivatives dealers file audited financial statements annually.

The reports required under Rule 17a-12 provide the Commission with information used to monitor the operations of OTC derivatives dealers and to enforce their compliance with the Commission's rules. These reports also enable the Commission to review the business activities of OTC derivatives dealers and to anticipate, where possible, how these dealers may be affected by significant economic events.

There are currently three registered OTC derivatives dealers. The staff expects that three additional firms will register as OTC derivatives dealers within the next three years. The staff estimates that the average amount of time necessary to prepare and file the quarterly reports required by the rule is eighty

hours per OTC derivatives dealer¹ and that the average amount of time to prepare and file the annual audit report is 100 hours per OTC derivatives dealer per year, for a total reporting burden of 180 hours per OTC derivatives dealer annually. Thus the staff estimates that the total industry-wide reporting burden to comply with the requirements of Rule 17a-12 is 1,080 hours per year (180 x 6). The Commission estimates that the average annual reporting cost per broker-dealer for an independent public accountant to examine the financial statements is approximately \$46,300 per broker-dealer. Thus, the total industry-wide annual reporting cost is approximately \$277,800 (\$46,300 x 6).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

The public may view background documentation for this information collection at the following website: www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an e-mail to: Lindsay.M.Abate@omb.eop.gov ; and (ii) Charles Riddle, Acting Director/Chief Information Officer, Securities and Exchange Commission, c/o Candace Kenner, 100 F Street, NE Washington, DC 20549, or by sending an e-mail to PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: October 29, 2018.

Eduardo A. Aleman,
Assistant Secretary.

¹ Based upon an average of 4 responses per year and an average of 20 hours spent preparing each response.

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